

**CORPORATE INTEGRITY PROGRAM
EMCARE**

I. Preamble

EmCare on behalf of its billing company RTI has agreed to continued implementation of a Corporate Integrity Program (the Program) to prevent fraud, abuse, and false billing to Medicare and Medicaid by EmCare, its subsidiaries, its employees, physicians, and third parties. The Program shall include the provisions listed below in addition to the policies, procedures and guidelines summarized in Attachment I, attached hereto and incorporated herein by reference. The Program shall be maintained so as to ensure, to the extent reasonably possible, that EmCare and each of its directors, officers, employees and contractors maintain the business integrity required of a participant in federally-funded health care Programs, and that the claims submitted to Medicare and Medicaid are in compliance with all laws and regulations applicable to such Programs and with the terms set forth below.

II. Certification and Report Requirements

The period of future compliance obligations assumed by EmCare under this Program shall be three (3) years from the date of execution of this Program. The annual reports required under the Program shall be submitted on the anniversary date of the execution of the settlement agreement to which this Program is attached. All reports and notifications required under this Program shall be sent to:

ATTN: Eileen T. Boyd
Deputy Inspector General
Office of Enforcement and Compliance
Office of Inspector General
U.S. Department of Health and Human Services
Cohen Building Room 5600
330 Independence Avenue, S.W.
Washington, D.C. 20201
(202) 619-0070

The Program shall be approved by the Office of Inspector General, Office of Enforcement and Compliance, and implementation shall be complete within 120 days of the date of the execution of this Agreement.

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A. Corporate Compliance Committee

A corporate officer, appointed by the Board of Directors of EmCare shall be appointed as the Compliance Officer and shall chair a compliance committee that shall be responsible for the Corporate Integrity Program. The members of the Compliance Committee shall include the Compliance Officer with responsibility for compliance operations and reporting requirements, the Chief Operating Officer of EmCare, and an outside director of EmCare, who shall be appointed by the Chief Operating Officer. The Compliance Officer shall submit annual reports (or more frequent, if circumstances require) to the Board of Directors of EmCare and to the HHS/OIG Office of Enforcement and Compliance.

B. Billing Procedures

EmCare shall contract with an independent professional organization, such as an accounting or law firm, to review on an annual basis, the billing policies, procedures and practices of EmCare and its subsidiaries. EmCare (or its designee) shall prepare and submit for review to OEC, an audit work plan designed to determine the accuracy and validity of claims submitted to Medicare and Medicaid for reimbursement. The review shall be aimed at ensuring that the federally-funded health care Programs are billed appropriately for services which are rendered as claimed. If such audits indicate possible billings which violate Medicare or Medicaid rules and regulations, EmCare shall notify HHS/OIG and remedy any such potential violations within 60 days.

If such audits indicate material deficiencies in EmCare's Medicare and Medicaid billing process, EmCare shall report promptly to HHS/OIG (1) its findings concerning the material violation, (2) EmCare's actions to correct such material violation, and (3) any further steps EmCare plans to take to address such material violation and prevent it from reoccurring in the future. A material violation is one which has a significant, adverse financial impact on the Medicare and/or Medicaid programs.

C. Corporate Integrity Policy

Pursuant to the Program, EmCare shall implement written policies as more fully set forth in Attachment I, attached hereto, regarding its commitment to accurate billings consistent with published Medicare and Medicaid regulations and procedures. These policies shall be adopted by the Board of Directors and distributed to all employees and independent contractors.

EmCare shall post in a prominent place accessible to each employee, a notice detailing its commitment to comply with all applicable Medicare and Medicaid laws and regulations

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in the conduct of its business. A copy of the policies and notice will be available upon request, for review by HHS/OIG.

E. Information and Education

EmCare shall institute and maintain an information and education Program designed to ensure that each officer, director, and employee is aware of all applicable health care laws including Medicare and Medicaid laws, regulations, and standards of business conduct that such individual is expected to follow and the consequences both to the individual and Hospital that will ensue from any violation of such requirements. Each officer, director and employee shall receive at least one hour of initial training regarding the EmCare Corporate Integrity Program. A schedule and topic outline of the training shall be included in the annual report submitted to HHS/OIG.

EmCare shall also implement a training Program for staff physicians and clerical employees involved in preparing or submitting Medicare bills through EmCare or its subsidiaries. This Program shall provide for not less than three (3) hours annually of formal training in the submission of accurate bills for services rendered to Medicare or Medicaid patients, the personal obligation of each individual involved in the billing process to ensure that such billings are accurate, the legal sanctions for improper billings, and examples of improper billing practices. Such training shall also be included in the formal orientation of employees including staff physicians and clerical employees. EmCare shall certify that such training has been provided, and set forth generally the format, dates, and materials provided in its annual report to HHS/OIG.

F. Confidential Disclosure Program

EmCare shall establish a confidential disclosure Program enabling employees to disclose any Medicare or Medicaid billing practices or procedures deemed by the employee to be inappropriate, to an identified individual not in that employee's direct chain of command. EmCare shall, as part of the Program, require the internal review of any such disclosure and ensure that proper follow-up is conducted. EmCare shall include in its annual report to HHS/OIG a summary of communication concerning potentially inappropriate Medicare or Medicaid billings under the confidential disclosure Program, and the results of any internal review and follow-up of such disclosures.

G. Dealing with Excluded or Convicted Persons or Entities

EmCare shall implement a written internal operating policy that EmCare shall not knowingly employ, with or without pay, an individual or entity that is listed by a federal agency as debarred, suspended or otherwise ineligible for federal Programs. In order to

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carry out the policy, EmCare shall make reasonable inquiry into the status of any potential employee or consultant. Such reasonable inquiry shall include, at a minimum, review of the HHS/OIG Cumulative Sanctions Report and the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs.

EmCare's policy does not require EmCare to terminate the employment of individuals who become suspended or are proposed for debarment during their employment with EmCare. EmCare, however, will remove such employees from responsibility for, or involvement with, EmCare's Medicare or Medicaid billing and reimbursement functions until the resolution of such suspension or proposed debarment. In addition, if any employee of EmCare is charged with a criminal offense relating to its Medicare or Medicaid business, EmCare will remove that employee immediately from responsibility for or involvement with EmCare's Medicare or Medicaid billing and reimbursement functions. If the employee is convicted or debarred, EmCare's policy requires that the employee will be terminated from employment with EmCare. EmCare shall notify HHS/OIG of each such personnel actions taken and the reasons therefore, within 15 days of the action.

EmCare shall not allow, or cause to be allowed, any person convicted in any local, state or federal court of any felony involving health care matters to hold the position of officer or director of EmCare, or any subsidiaries.

III. OIG Inspection, Audit and Review Rights

In addition to any other right that HHS/OIG may have by statute, regulation, contract or pursuant to this Program, HHS or its duly authorized representative(s) may examine EmCare's books, records, and other company documents and supporting materials for the purpose of verifying and evaluating: (a) EmCare's compliance with the terms of this Program; (b) EmCare's business conduct in its dealing with the United States Government, or any agencies or agents thereof; and (c) EmCare's compliance with the billing and reimbursement requirements of the Medicare and Medicaid Programs and other federally-funded health care Programs. The documentation described above shall be made available by EmCare at all reasonable times for inspection, audit or reproduction. Furthermore, for purposes of this provision, HHS or its authorized representative(s) may interview any EmCare employee who consents to be interviewed at the employee's place of business during normal business hours or at such other place and time as may be mutually agreed upon between the employee and HHS. Employees may elect to be interviewed with or without a representative of EmCare present.

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IV. Document and Record Retention

EmCare shall maintain for inspection documents and records relating to its Medicare and Medicaid billing and reimbursements for a period of four (4) years following the implementation of this Program, or longer if required by the laws and regulations of the applicable state Medicaid program.

V. Breach and Default Provisions

EmCare's compliance with the terms and conditions of this Program shall constitute an element of EmCare's present responsibility with regards to participation in federally-funded Programs. EmCare's failure to meet any of its obligations pursuant to the terms and conditions of this Program constitutes a separate cause for exclusion.

In the event that HHS/OIG believes EmCare has breached one or more of its obligations under the Program, HHS/OIG will notify EmCare of the alleged breach by certified mail, specifying the circumstances of the alleged breach. EmCare will have thirty (30) days from receipt of the notice to cure said breach or otherwise satisfy the government that it is in full compliance with this Program.

If, at the end of the thirty day period described above, HHS/OIG determines that EmCare continues to be in breach of one or more of its obligations under this Program, HHS/OIG may declare EmCare to be in default and exclude EmCare from participation in the Title XVIII (Medicare) Program, the Title XIX (Medicaid) Program and other State health Programs as defined in Title 42 U.S.C. section 1320a-7(h) until such time as the breach is cured.

Upon notification by HHS/OIG of its intent to exclude, EmCare is entitled to the due process afforded a provider under 42 U.S.C. section 1320a-7(f). Notwithstanding any provision of Title 42 of the United States Code or Chapter 42 of the Code of Federal Regulations, the only issues in a proceeding for exclusion based on a breach of this Program shall be (1) whether EmCare was in breach of one or more of its obligations under this Program, at the time of and as specified in the notice given to EmCare, and (2) whether such breach was continuing on the date on which HHS/OIG notified EmCare of its proposal to exclude.

VI. Costs Related to Compliance Plans

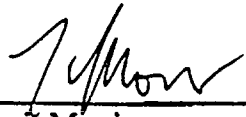
In addition to the obligations assumed by EmCare under the Program and as described above, if HHS/OIG determines that it is necessary to conduct an independent audit or review to determine whether or the extent to which EmCare is complying with its obligation under this

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Program, EmCare agrees to pay for the reasonable cost, not to exceed \$200,000, of any such audit or review.

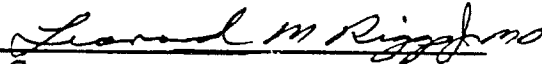
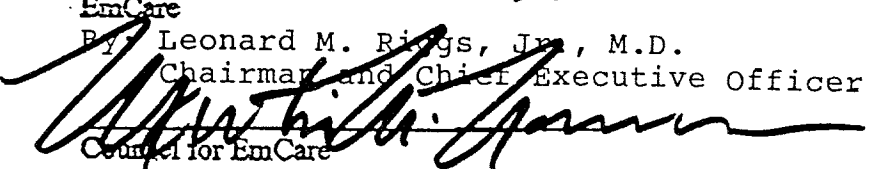
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5/9/97
Date


Lewis Morris
Assistant Inspector General for Legal Affairs
Office of Counsel to the Inspector General
Office of Inspector General
Department of Health and Human Services

July 8 1997
Date

July 8, 1997
Date


EmCare
By: Leonard M. Riggs, Jr., M.D.
Chairman and Chief Executive Officer

Counsel for EmCare
By: Martin B. McNamara